# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:3473
ANSWERED ON:20.08.2004
RECOVERY OF OUTSTANDING TAXES
Sethi Shri Arjun Charan

**Will the Minister of FINANCE be pleased to state:**

(a) whether the Government has recently issued directives to tax officials to recover huge tax arrears due against individuals and companies for the first half of the current financial year;

(b) if so, the details thereof; and

(c) the assessment of the arrears work out by Government?

## Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM)

(a) & (b) The Government has recently constituted a Task Force for Recovery of Arrears with the mandate to develop and implement a multi-pronged strategy for collection of arrears of taxes. This Task Force would co-ordinate and supervise the functioning of the Core Committees at the level of the Chief Commissioners of Income Tax and issue directions to the income tax authorities on various issues including identification of potential cases for recovery, early disposal of appeals, vacation of stay, identification of assets for recovery, etc. The Task Force would also develop and launch a multi-media public awareness campaign to encourage the taxpayers to clear their tax dues voluntarily.

(c) On assessment of the income tax arrear position as on 1.7.2004, the government has found that out of the total outstanding demand of Rs. 84,219 crore, demands amounting to Rs. 58,447 crore are in dispute before various Courts, Tribunal, etc, including Rs. 9,887 crore of demand stayed by these appellate authorities. A large part of the balance amount is also not immediately collectible for various reasons including demands pertaining to scam cases, case being before BFIR or Settlement commission, company being under liquidation, etc.